

ILLINOIS COMMERCE COMMISSION

DOCKET No. 16-_____

DIRECT TESTIMONY

OF

**AMANDA SLOAN
CONTRACT LAND STAFF, LLC**

Submitted On Behalf

Of

AMEREN TRANSMISSION COMPANY OF ILLINOIS

April 25, 2016

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6 **Ameren Transmission Company of Illinois**

7 **I. INTRODUCTION**

8 **Q. Please state your name, business address and present position.**

9 A. My name is Amanda Sloan. My business address is 3200 Pleasant Run, Springfield,
10 Illinois. I am a Project Director, Electric Transmission for Contract Land Staff, LLC (CLS).

11 **Q. Please summarize your educational background and professional experience.**

12 A. My educational background and professional experience is attached as an Appendix to
13 this testimony.

14 **Q. What are your duties and responsibilities in your present position?**

15 A. I am the CLS Project Director, Electric Transmission, assigned as a Project Manager on
16 Ameren Transmission Company of Illinois' (ATXI's or the Company's) Illinois Rivers Project
17 (the Project). I am responsible for managing CLS acquisition agents, permitting agents, and
18 administrative personnel working to secure necessary land rights for the Project. I also oversee
19 CLS field personnel who operate out of our Project regional office in Springfield, Illinois. These
20 field leads and acquisition agents are tasked with meeting and negotiating with property owners
21 impacted by the Project.

22 **Q. What is the purpose of your testimony in support of this Petition?**

23 A. The purpose of my direct testimony is to describe the process by which CLS, on behalf of
24 ATXI, negotiates with landowners to secure land rights for the Illinois Rivers Project. I also
25 provide details regarding negotiations with the owners of properties for which ATXI is seeking
26 eminent domain authority in this proceeding.

27 **Q. Are you sponsoring any exhibits in support of your testimony?**

28 A. I am sponsoring the following exhibits:

- 29 • ATXI Exhibit 2.1: Summary of Landowner Contacts
- 30 • ATXI Exhibit 2.2: Summary of Compensation Offers (Confidential – Contains
31 Terms of Negotiations)
- 32 • ATXI Exhibit 2.3: Group Exhibit of Landowner-Specific Documentation
- 33 • ATXI Exhibit 2.4: Sample of Aerial Image Depicting Preliminary Structure
34 Locations

35 **Q. What does ATXI Exhibit 2.3 contain?**

36 A. ATXI Exhibit 2.3 contains a packet of documentation related to each owner of an
37 Unsigned Property. Each packet includes: (i) a summary of issues the landowner raised during
38 negotiations and ATXI's efforts to address those issues, as of April 11, 2016, unless otherwise
39 specified; (ii) a completed agent checklist; (iii) a map of the property; and (iv) a final plat of each
40 property, including the legal description of the easement ATXI is seeking. For ease of use, a
41 table of contents is provided for the entire exhibit.

II. LAND RIGHTS ACQUISITION SERVICES PROVIDED BY CLS

Q. Please explain the nature of the services provided by CLS.

A. CLS is a nationwide land consulting firm that provides services associated with the acquisition of easements for infrastructure. CLS was established in 1985 and specializes in electric and pipeline easement acquisitions along with project management and consulting and is headquartered in Sugar Land, Texas.

Q. What is CLS's role in ATXI's efforts to acquire land rights for the Project?

A. ATXI retained CLS as a contractor to assist the Company with acquiring the necessary land rights for the Project. CLS is responsible for project management for the acquisition of land rights, easements and permits. We provide experienced survey and land agents, who act as an intermediary between landowners and ATXI and negotiate on behalf of ATXI with property owners. CLS land agents have significant experience negotiating for the acquisition of property rights to be used in infrastructure projects.

ATXI and CLS have the mutual goal of treating each landowner along the Project equitably and fairly. In furtherance of that goal, CLS agents negotiate personally with each landowner, make efforts to understand and resolve their individual concerns, answer questions, and relay landowners' counteroffers, pole placement relocation requests, and easement language revisions to ATXI.

Q. What is your role as Project Manager for the Illinois Rivers Project?

A. I oversee the CLS acquisition program, including all land agents and their direct supervisors. I meet with the local Project managers regularly to discuss the status of negotiations on unsigned tracts. I review the land agents' records regarding contacts with landowners on a

64 regular basis. From time-to-time I also review landowners' proposed changes to easement
65 language, with guidance from counsel and ATXI. I provide guidance to land agents and local
66 Project managers to address landowner issues, and at times, participate in landowner
67 negotiations. I meet or speak with ATXI representatives, including Mr. Trelz on an on-going,
68 as-needed basis to report on acquisition status and discuss concerns. I also participate in weekly
69 meetings with ATXI engineering personnel in order to discuss requests related to structure
70 placement and route alignment.

71 **Q. What are the "land agents' records" you refer to?**

72 A. CLS requires that land agents document all contacts with landowners in a CLS
73 proprietary database. This documentation of daily communications with owners, tenants and
74 property representatives is done in the ordinary course of business.

75 **Q. Is there a policy that guides CLS in assigning land agents to landowners?**

76 A. Yes. In response to Commission and Staff concerns regarding the number of different
77 agents contacting landowners, CLS in conjunction with ATXI developed and adopted a new
78 Land Acquisition Agent Assignment Policy, which was effective June 23, 2014. This policy was
79 presented to the Commission in Docket 14-0438. The goal of this new policy was to have a
80 single agent be the point of contact for a single landowner throughout the easement negotiations.
81 This policy was later revised and presented to the Commission in Docket 14-0551.

82 **III. LANDOWNER CONTACT**

83 **Q. Please explain the process by which CLS, on behalf of ATXI, begins negotiations to**
84 **acquire the necessary land rights across the affected properties.**

85 A. As explained by Mr. Trelz, fourteen days after ATXI mailed the letter and Statement of
86 Information to landowners, CLS personnel contacted landowners to discuss the Project. CLS
87 agents contacted landowners in person, if possible, and informed them of both the reason for
88 contact and the purpose of the Project. CLS, at ATXI's direction, provided landowners with a
89 written statement of the purpose of the Project, a small-scale map of the area, a sketch of the
90 proposed location of the transmission line on their property, and information regarding the type
91 and location of the proposed facilities. A sample landowner packet is attached to Mr. Trelz's
92 direct testimony as ATXI Exhibit 1.2. CLS land agents presented each landowner with ATXI's
93 offer of compensation and explained that the offer was based on a third-party independent
94 appraiser's determination of the market value of the landowner's property. The agents provided
95 each landowner with a worksheet describing the calculation of ATXI's offer. Additionally,
96 when completed, an appraisal of each property was provided to each landowner. CLS agents
97 made themselves available for discussion and negotiations with each landowner. ATXI Exhibit
98 2.2 contains information on the most recent third-party independent market appraisals, offers
99 made to landowners for the transmission easement compensation, and any counteroffers.

100 **Q. How many times has ATXI or CLS contacted the owners of the Unsigned**
101 **Properties?**

102 A. ATXI or CLS contacted the owners of each Unsigned Property no less than 31 times.
103 The number of contacts made with each owner of an Unsigned Property as of April 11, 2016 is
104 detailed on ATXI Exhibit 2.1 and the substance of each contact is further described in ATXI
105 Exhibit 2.3.

106 **Q. What happens after land agents initiate contact with landowners?**

A. Landowners often have questions or concerns about compensation, the placement of poles on their property, and the language of the easement document. CLS agents seek to address their questions or concerns. In some cases, landowners make a counteroffer to ATXI's offer. CLS agents forward the counteroffers and supporting information to ATXI and the appraisers for their review. CLS works with ATXI to respond promptly to all counteroffers made by landowners and to address any concerns unrelated to compensation. I discuss these items in more detail below.

IV. EXPLANATION OF INITIAL OFFERS

Q. Do land agents explain the basis for ATXI's offers of compensation to landowners?

A. Yes. CLS agents provided each landowner and/or their attorney or representative a calculation sheet stating the independent appraiser's determination of the total market value of the parcel, the acreage of the easement area, the percentage of market value at which the independent appraiser believed the easement should be valued, prepaid crop damages, general property damages for compaction, deep ripping, and restoration, and the resulting total compensation offer. Additionally, CLS agents informed landowners and/or their attorneys that the initial offer was based on a third-party, independent appraiser's determination of the market value of the property and provided a copy of the appraisal.

Q. What efforts did the land agents make to inform landowners about the location of the transmission line on their property?

A. If the landowner allowed a land agent to meet with them, the land agent provided the Preliminary Option Exhibit that shows the intended location of the easement, and often an aerial image of the preliminary location of each of the structures ATXI planned to construct within the

129 easement, if one was available at the time. A sample of this printout is included as ATXI Exhibit
 130 2.4. Many times agents met with the landowners on their property and walked the proposed
 131 easement area. Agents informed the landowners that these locations could change due to soil
 132 boring information, final ground survey, and final line design.

133 **Q. What reasons have the owners of the Unsigned Properties given for refusing ATXI's**
 134 **offers?**

135 A. Many of the landowners have simply refused to negotiate with ATXI. For those
 136 landowners that have been willing to engage in negotiations, some have taken the position that
 137 ATXI's offers of compensation are too low. In addition, some landowners have requested
 138 changes to the easement document or the location of structures on their property. These
 139 requests, and ATXI's responses, are discussed individually in ATXI Exhibit 2.3.

140 **Q. How did CLS address the landowners' concerns regarding the level of offered**
 141 **compensation?**

142 A. If the landowner believed the level of compensation offered was too low, the land agents
 143 encouraged the landowner to submit a formal counteroffer with supporting documentation, or
 144 otherwise explain the basis for their counteroffer. A landowner's opinion that an offer is too low
 145 absent supporting documentation makes it difficult to engage in constructive compensation
 146 negotiations.

147 **Q. In the event that a landowner makes a counteroffer, what process do CLS agents**
 148 **follow?**

149 A. CLS agents document the counteroffer into our proprietary database software and report
 150 the counteroffer to their supervisor. Additionally, land agents encourage landowners to obtain an

appraisal of their property and inform landowners that ATXI will consider appraisals or information regarding sales of comparable properties when assessing their counteroffer. CLS then provides any information we receive from the landowner to ATXI and the appraiser, who determines whether the information provided changes their opinion of the market value of the easement. The appraiser's determination, and any supporting information provided by the landowner, is shared with ATXI and a determination is made whether to accept, counter, or reject the counteroffer. The land agent communicates ATXI's determination to the landowner. Mr. Trelz further explains ATXI's response to counteroffers from landowners.

V. EFFORTS TO ADDRESS CONCERNS NOT RELATED TO COMPENSATION

Q. Did the owners of the Unsigned Properties raise any concerns other than compensation?

A. Yes. Some landowners expressed concerns regarding the location of poles within their parcel, and the language of the easement document.

Q. How do land agents respond to these concerns?

A. Land agents discuss landowners' concerns with them on an individual basis and offer possible solutions to alleviate the landowner's concerns. Possible solutions include addressing the concern in a Confidential Settlement Agreement (CSA), submitting a pole relocation request, or informing the landowners of approximate pole locations. This is a progression of problem-solving and is specific to the individual landowner and his or her specific concern.

Q. How do land agents respond to landowners' concerns regarding the language of the easement?

A. Many concerns are simply addressed by discussing the standard easement agreement in

greater detail; however, ATXI has considered each language request and has been willing to incorporate changes when the requested changes do not compromise the easement rights ATXI is seeking. ATXI is also willing to negotiate a CSA to address certain matters in the easement or that are not covered by the easement documents. A landowner does not have to propose specific language revisions.

Q. How do land agents respond to landowners' concerns regarding the location of structures?

A. First, the land agent reviews the request to determine whether neighboring parcels will be affected by the requested change. If neighboring parcels are affected, the agent and the landowner work to obtain the neighboring landowners' approval of the adjustment. If all neighboring parcels agree to the adjustment, the agent prepares a relocation request for submission to ATXI. As explained by Mr. Trelz, ATXI evaluates whether the pole relocation request can be accommodated.

VI. EFFORTS TO NEGOTIATE WITH LANDOWNER GROUPS

Q. Have any landowners in this proceeding conducted negotiations with ATXI as a group?

A. Yes. 53 parcels at issue in this proceeding are represented by Mr. Craig Smith from the law firm of Asher & Smith. The date Mr. Smith began representing each of these landowners and details regarding each landowner's negotiations are included in Exhibit 2.3. I have reviewed the documentation that the land agents prepare and maintain in accordance with CLS requirements, and have discussed the Smith group negotiations with the agent on numerous occasions.

195 **Q. Can you describe how the group negotiations began with Mr. Smith?**

196 A. Landowners who were members of the Edgar County Group, a group that appealed the
197 Commission's ruling in Docket 12-0598, hired Mr. Smith in November of 2013. In January of
198 2014, Mr. Smith clarified that this representation was limited to appealing the routing of the
199 transmission line and that he would not be representing his clients in negotiating easement rights.
200 Subsequent attempts to contact his clients, directly or through Mr. Smith, were largely ignored
201 until August of 2015. At that time, in response to CLS's multiple requests, Mr. Smith provided
202 CLS a letter of representation with a list of several clients he represents in easement negotiations,
203 a list he continues to supplement. After receiving this list, CLS agents sent Mr. Smith the
204 represented landowner's files containing the current offer for each client, the most recent
205 appraisal, an easement and plat and the land agent left several voice mails with Mr. Smith to
206 schedule a meeting. The parties ultimately agreed to meet on October 22, 2015.

207 **Q. What concerns did Mr. Smith address with the CLS land agent before the initial**
208 **meeting?**

209 A. On September 22, 2015, Mr. Smith stated that he was concerned with the survey
210 notification process, and that he wanted to know specific times and locations for surveys for all
211 his clients and that all surveys be "walk only".

212 **Q. Did ATXI attempt to address Mr. Smith's survey concerns?**

213 A. Yes. The land agent explained that weather and time factors make it difficult to provide
214 specific survey times, but the agent agreed to provide a weekly spreadsheet showing the day and
215 location the surveys were scheduled, and requested a list of clients that wished to be present
216 during the survey. Each week the land agent sent an updated survey list and requested that Mr.

217 Smith inform CLS which landowners wanted to be present. Recently, Mr. Smith stated that all
218 his landowners want to be present during survey work.

219 **Q. Describe the initial October 22, 2015 meeting between CLS and Mr. Smith.**

220 A. During the meeting, ATXI provided Mr. Smith a comprehensive spreadsheet detailing
221 each client's tract number and calculation worksheet information. ATXI also provided updated
222 appraisals for each client and the final plat offer. CLS explained that Mr. Smith could submit
223 counteroffers, crop receipts, language changes and route relocation requests for each client.

224 **Q. Since this initial meeting, has Mr. Smith raised additional issues?**

225 A. Yes. He has requested updated maps of his client's parcels and inquired about whether
226 there should be additional compensation based on the location of the transmission line in
227 proximity to any residence.

228 **Q. Did the agent respond to these requests?**

229 A. Yes. The agent provided updated maps, informed Mr. Smith that additional
230 compensation may be awarded if ATXI's appraiser found that it was warranted, and said that
231 ATXI would consider route change requests on an individual basis. The agent also requested to
232 meet with Mr. Smith and his clients regarding the route change requests and made multiple
233 requests to meet with landowners regarding survey access and continuing negotiations.

234 **Q. When did the parties meet again?**

235 A. As discussed by Mr. Trelz, on March 1, 2016, Ameren employees, CLS and Mr. Smith
236 met to discuss the easement negotiations. During this meeting, Mr. Smith discussed the location
237 of ATXI's transmission line in relation to an existing Ameren Illinois 138kV line. Mr. Smith

238 provided a list of 24 landowners who he felt would be affected by realignment and requested a
239 review for each of these landowners, and indicated he would provide additional information.

240 **Q. Did CLS provide information in response to this meeting?**

241 A. After reviewing the 24 tracts Mr. Smith identified, CLS provided Mr. Smith an analysis
242 of the proximity of the homes to the transmission line, and identified those offers that included
243 damage to the remainder.

244 **Q. Has Mr. Smith provided the additional information he committed to provide?**

245 A. No. Despite follow-up requests from ATXI, as of April 11, 2016, Mr. Smith has not
246 provided an impact study, representative appraisal or proposed any language changes.

247 **Q. Has Mr. Smith provided any counteroffers for his clients?**

248 A. No.

249 **Q. Has Mr. Smith provided any other relevant communications?**

250 A. Yes. As discussed by Mr. Trelz, on April 20, 2016, ATXI received a letter from Mr.
251 Smith following-up on the March 1¹ meeting. In that letter, Mr. Smith indicated that his clients
252 would focus on issues in state court and, therefore, his clients would not object to a grant of 8-
253 509 authority in the interim.

254 **Q. What is the current status of negotiations with Mr. Smith's clients?**

255 A. Before Mr. Smith was hired for easement negotiations, most of his clients simply refused
256 to negotiate, citing the pending appeal of the Edgar County landowner opposition group, and
257 therefore negotiations were at a standstill. Since Mr. Smith was hired for easement negotiations,

¹ Mr. Smith inadvertently referred in his letter to the meeting as having occurred on February 12.

258 over seven months ago, nothing has changed, and negotiations remain at a standstill. While Mr.
 259 Smith has indicated that easement language and compensation may be an open issue for his
 260 clients, he has not provided a single counteroffer, documentation supportive of a higher offer or
 261 suggested easement language changes for any of his clients. While the land agent continues to
 262 contact Mr. Smith in an effort to address any outstanding concerns, Mr. Smith has largely
 263 ignored these efforts. ATXI is therefore not optimistic that negotiations will be successful any
 264 time soon – if at all.

265 **VII. NEED FOR EMINENT DOMAIN**

266 **Q. Based on your knowledge of the negotiations for the Unsigned Properties, do you**
 267 **believe that continued negotiation is likely to produce a negotiated resolution for any of the**
 268 **Unsigned Properties?**

269 A. No.

270 **VIII. CONCLUSION**

271 **Q. Does this conclude your direct testimony?**

272 A. Yes, it does.

APPENDIX

STATEMENT OF QUALIFICATIONS

AMANDA SLOAN

I have been employed in the right of way industry providing contract service to companies similar to ATXI for nine years and currently am employed by Contract Land Staff as a Project Director, with direct project management and supervision of ATXI's Illinois Rivers Project. I have worked as the Project Manager on the Project since September 2013. Immediately prior to this assignment I was the Project Manager for a 230kV transmission line project on the East Coast. In my career I have performed work as an Abstractor, Survey Support Agent, Land Agent, Senior Land Agent, as well as a Project Supervisor. I earned my bachelor's degree in International Business and Economics from the State University of New York (SUNY) College at Brockport in Brockport, New York in December 2000.